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## BEFORE THE ARIZONA CORPORATION COMMISSION

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SUSAN BITTER SMITH - Chairman  
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TOM FORESE

AZ CORP COMMISSION  
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RC

IN THE MATTER OF THE APPLICATION OF  
EPCOR WATER ARIZONA, INC. FOR A  
CERTIFICATE OF CONVENIENCE AND  
NECESSITY TO PROVIDE WASTEWATER  
UTILITY SERVICE IN MARICOPA COUNTY,  
ARIZONA.

DOCKET NO. WS-01303A-15-0018

PROCEDURAL ORDER**BY THE COMMISSION:**

On January 27, 2015, EPCOR Water Arizona, Inc. ("EPCOR") filed with the Arizona Corporation Commission ("Commission") an application for a Certificate of Convenience and Necessity ("CC&N") to provide wastewater service in Maricopa County to approximately 32 separately described contiguous and noncontiguous portions of land, together totaling 4,414.36 acres, all located in an area surrounding State Route 303 between Camelback Road and Peoria Avenue ("Service Area"). The Service Area has a western most boundary of 183rd Avenue and an eastern most boundary of 143rd Avenue and includes several parcels in close proximity to Luke Air Force Base. EPCOR intends to construct and operate a regional wastewater reclamation facility to cover the Service Area. The Service Area is expected to include three new developments known as Granite Vista, Cordillera, and Allen Ranches, and to experience additional rapid growth. In its CC&N application, EPCOR proposes monthly minimum charges of \$50 for residential customers and of \$50 or more, based on water meter size, for nonresidential customers. In addition, EPCOR proposes a commodity rate of \$5.32 per 1,000 gallons of water usage, capped at 8,000 gallons for residential customers and at 10,000 to 15,000 gallons for nonresidential customers with 1-inch and smaller meter sizes. EPCOR also proposes miscellaneous service charges and service line connection charges. EPCOR and Adaman Mutual Water Company ("Adaman") are currently authorized to provide water utility service in different portions of the Service Area.

1 On February 13, 2015, EPCOR filed a Notice of Errata including replacement pages and  
2 supporting documents for its CC&N application.

3 On February 26, 2015, the Commission's Utilities Division ("Staff") issued a Letter of  
4 Sufficiency stating that EPCOR's application has met the sufficiency requirements outlined in the  
5 Arizona Administrative Code ("A.A.C.").

6 On March 10, 2015, a Procedural Order was issued establishing a procedural schedule and  
7 associated requirements. Inter alia, the hearing for this matter was scheduled to commence on May 6,  
8 2015, and EPCOR was ordered to provide notice by April 1, 2015, both by mail and publication.

9 On March 23, 2015, Staff filed a Request for Procedural Order Extending Schedule. Staff  
10 states that EPCOR's CC&N application presents more difficult issues than are typical for a CC&N  
11 case, even a CC&N case involving a large and established utility. Staff attributes this, at least in part,  
12 to the Service Area being contemplated as a new district for EPCOR that will have new rates. Staff  
13 requests to have the Staff Report due date extended one month, from April 10, 2015, to May 11,  
14 2015, and to have the rest of the procedural schedule adjusted accordingly. Staff states that the  
15 requested extension was discussed with EPCOR and that EPCOR has no objection to the requested  
16 extension.

17 Because neither the public interest nor EPCOR's interests would best be served by a Staff  
18 Report that does not reflect a thorough analysis of EPCOR's CC&N application, and because EPCOR  
19 does not object to Staff's requested extension, it is reasonable and necessary to grant Staff's  
20 requested extension and to adjust the remainder of the procedural schedule accordingly. It is also  
21 reasonable and necessary to extend the Commission's time frame for issuing a decision in this matter.  
22 Additionally, because it is unknown whether EPCOR has provided public notice as prescribed by the  
23 Procedural Order of March 10, 2015, it is reasonable and necessary to retain the hearing date of May  
24 6, 2015, only for purposes of receiving public comment. It is also reasonable and appropriate to  
25 require EPCOR to make a filing regarding whether such public notice has been provided, as the  
26 public comment proceeding may be vacated if such notice has not been provided.

27 IT IS THEREFORE ORDERED that the evidentiary hearing scheduled to commence on **May**  
28 **6, 2015, at 10:00 a.m.**, at the Commission's offices in Phoenix, shall proceed only for the purpose of

1 receiving **public comment**.

2 IT IS FURTHER ORDERED that **EPCOR shall, by April 17, 2015, make a filing** indicating  
3 whether EPCOR has provided public notice of the May 6, 2015, hearing date pursuant to the  
4 Procedural Order of March 10, 2015, and in what manner.

5 IT IS FURTHER ORDERED that Staff shall file its **Staff Report** and associated exhibits to  
6 be presented at hearing on or before **May 11, 2015**.

7 IT IS FURTHER ORDERED that any **objection or response to the Staff Report** from  
8 EPCOR or any intervenor shall be made in writing and filed on or before **May 26, 2015**.

9 IT IS FURTHER ORDERED that the **evidentiary hearing** in this matter shall commence on  
10 **June 19, 2015, at 10:00 a.m.**, or as soon thereafter as is practicable, at the Commission's offices,  
11 Hearing Room No. 1, 1200 West Washington, Phoenix, Arizona 85007, and shall, if necessary,  
12 continue on **June 22, 2015, at 9 a.m.**, in the same location.

13 IT IS FURTHER ORDERED that **intervention** shall be in accordance with A.A.C. R14-3-  
14 105, except that all motions to intervene must be filed on or before **June 1, 2015**.

15 IT IS FURTHER ORDERED that any **motion to intervene shall conform** to the  
16 requirements of A.A.C. R14-3-105 and this Procedural Order.

17 IT IS FURTHER ORDERED that any **objection to a motion to intervene** shall be filed on or  
18 before **June 8, 2015**.

19 IT IS FURTHER ORDERED that **EPCOR shall, by May 11, 2015, mail** a copy of the  
20 following notice by first class U.S. Mail to **Adaman, to any other water utility** authorized to  
21 provide service within the Service Area, and to **each owner of land** within the Service Area **and**  
22 **cause the following notice to be published in a newspaper(s) of general circulation** in the Service  
23 Area, in the following form and style, with the heading in no less than 10-point bold type and the  
24 body in no less than 8-point regular type:

25 ...

26 ...

27 ...

28 ...

**PUBLIC NOTICE OF HEARING ON THE APPLICATION OF  
EPCOR WATER ARIZONA, INC. FOR A CERTIFICATE OF  
CONVENIENCE AND NECESSITY TO PROVIDE WASTEWATER  
UTILITY SERVICE IN MARICOPA COUNTY, ARIZONA.  
(Docket No. WS-01303A-15-0018)**

**Summary**

On January 27, 2015, EPCOR Water Arizona, Inc. ("EPCOR") filed with the Arizona Corporation Commission ("Commission") an application for a Certificate of Convenience and Necessity ("CC&N") to provide wastewater service to approximately 32 separately described contiguous and noncontiguous portions of land, together totaling 4,414.36 acres, all located in Maricopa County in an area surrounding State Route 303 between Camelback Road and Peoria Avenue ("Service Area"). The Service Area has a western most boundary of 183rd Avenue and an eastern most boundary of 143rd Avenue and includes several parcels in close proximity to Luke Air Force Base. EPCOR intends to construct and operate a regional wastewater reclamation facility to cover the Service Area. The Service Area is expected to include three new developments known as Granite Vista, Cordillera, and Allen Ranches, and to experience additional rapid growth. In its CC&N application, EPCOR proposes monthly minimum charges of \$50 for residential customers and of \$50 or more, based on water meter size, for nonresidential customers. In addition, EPCOR proposes a commodity rate of \$5.32 per 1,000 gallons of water usage, capped monthly at 8,000 gallons for residential customers and at 10,000 to 15,000 gallons for nonresidential customers served by 1-inch and smaller meters. EPCOR also proposes to implement miscellaneous service charges and service line connection charges. EPCOR and Adaman Mutual Water Company ("Adaman") are currently authorized to provide water utility service in different portions of the Service Area.

The Commission's Utilities Division ("Staff") is in the process of auditing and analyzing EPCOR's application and has not yet made any recommendations. The Commission is not bound by the proposals made by EPCOR, Staff, or any intervenor. The Commission will issue a Decision regarding EPCOR's CC&N application following consideration of testimony and evidence provided at an evidentiary hearing.

**How You Can View or Obtain a Copy of the Application**

Copies of the application are available from EPCOR [COMPANY INSERT HOW AND WHERE AVAILABLE] and at the Commission's Docket Control Center at 1200 West Washington Street, Phoenix, Arizona 85007, for public inspection during regular business hours, and on the Internet via the Commission's website ([www.azcc.gov](http://www.azcc.gov)) using the e-Docket function.

**Public Hearing Information**

The Commission will hold a hearing on this matter beginning **June 19, 2015, at 10:00 a.m.**, in Hearing Room No. 1, at the Commission's offices at 1200 West Washington Street, Phoenix, Arizona 85007. Public comments will be taken on the first day of hearing. Written public comments may be submitted at any time on the Commission's website ([www.azcc.gov](http://www.azcc.gov)) using the "Submit a Public Comment" function or by mailing a letter, referencing **Docket No. WS-01303A-15-0018**, to Arizona Corporation Commission, Consumer Services Section, 1200 West Washington Street, Phoenix, AZ 85007. If you require assistance, you may contact the Consumer Services Section at 1-800-222-7000 or 602-542-4251.

**About Intervention**

Any person entitled by law to intervene and having a direct and substantial interest in the matter will be permitted to intervene. The granting of intervention entitles a person to participate as a party at hearing by presenting sworn evidence and cross-

examining other party's witnesses. **If you wish to intervene, you must file an original and 13 copies of a written motion to intervene with the Commission's Docket Control Center no later than June 1, 2015, and send a copy of the motion to EPCOR or its counsel and to all parties of record.** Contact information may be obtained using the Commission's e-Docket function.

Your motion to intervene must contain the following:

1. Your name, address, and telephone number, and the name, address, and telephone number of any person upon whom service of documents is to be made, if not yourself;
2. A short statement of your interest in the proceeding (e.g., a customer of EPCOR, a shareholder of EPCOR, a property owner in the proposed Service Area, etc.);
3. A statement certifying that you have mailed a copy of the motion to intervene to EPCOR or its counsel and to all parties of record in the case; and
4. If you are not represented by an attorney who is an active member of the Arizona State Bar, and you are not representing yourself as an individual, information and any appropriate documentation demonstrating compliance with Arizona Supreme Court Rules 31, 38, and 42, as applicable.

The granting of motions to intervene is governed by A.A.C. R14-3-105, except that all motions to intervene must be filed on or before June 1, 2015. If representation by counsel is required by Arizona Supreme Court Rule 31, intervention will be conditioned upon the intervenor obtaining counsel to represent the intervenor. A sample intervention request form is available at <http://www.azcc.gov/divisions/utilities/forms/interven.pdf>.

If you do not intervene, you will receive no further notice of the proceedings in this docket. **However, all documents filed in this docket are available online** (usually within 24 hours after docketing) at the Commission's website, [www.azcc.gov](http://www.azcc.gov), using the e-Docket function. RSS feeds are also available through e-Docket. Failure to intervene will not preclude any interested person from appearing at the hearing and providing public comment or from filing written comments in the record of the case.

#### **ADA/Equal Access Information**

The Commission does not discriminate on the basis of disability in admission to its public meetings. Persons with a disability may request a reasonable accommodation such as a sign language interpreter, as well as request this document in an alternative format, by contacting the ADA Coordinator, Shaylin Bernal, E-mail [SABernal@azcc.gov](mailto:SABernal@azcc.gov), voice phone number 602-542-3931. Requests should be made as early as possible to allow time to arrange the accommodation.

IT IS FURTHER ORDERED that **EPCOR shall file certification of mailing and publication** of the above notice as soon as practicable after the mailing and publication has been completed, but **no later than June 1, 2015.**

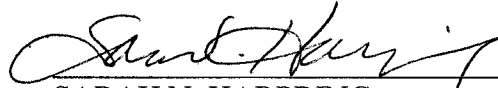
IT IS FURTHER ORDERED that notice shall be deemed complete upon mailing/publication of same, notwithstanding the failure of an individual to read or receive the notice.

1 IT IS FURTHER ORDERED that the Commission's **time frame** to issue a decision in this  
2 matter is hereby **extended by 45 days**.

3 IT IS FURTHER ORDERED that those provisions of the Procedural Order of March 10,  
4 2015, not revised herein shall continue in force and effect.

5 IT IS FURTHER ORDERED that the Administrative Law Judge may rescind, alter, amend,  
6 or waive any portion of this Procedural Order either by subsequent Procedural Order or by ruling at  
7 hearing.

8 DATED this 24<sup>th</sup> day of March, 2015.

9  
10   
11 SARAH N. HARPRING  
12 ADMINISTRATIVE LAW JUDGE

13 Copies of the foregoing mailed/delivered  
14 this 24<sup>th</sup> day of March, 2015, to:

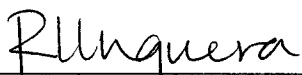
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